

April 14, 2010

ITEM NO. C4

REQUEST AUTHORIZATION TO 1.) ENTER INTO AN AGREEMENT TO ENTER INTO A HOUSING ASSISTANCE PAYMENT CONTRACT (AHAP) TO PROVIDE 19 PROJECT-BASED VOUCHERS TO BETTENDORF PLACE, A LOW-INCOME SUPPORTIVE HOUSING DEVELOPMENT AND 2.) EXECUTE ALL OTHER DOCUMENTS AS MAY BE NECESSARY OR APPROPRIATE TO IMPLEMENT THE FOREGOING

To the Honorable Board of Commissioners:

RECOMMENDATIONS

It is recommended that the Board of Commissioners approve the attached Resolution authorizing the Chief Executive Officer or his designee to enter into an Agreement to enter into a Housing Assistance Payment Contract (“AHAP Contract”) with the Alexian Brothers or its nominee to provide Project-Based Voucher assistance for nineteen (19) Studio apartments at Bettendorf Place, a supportive housing development for people with HIV/AIDS for the maximum allowable term, subject to any required HUD approvals. It is further recommended that the Board of Commissioners authorize the Chief Executive Officer or his designee to take all actions and execute all documents necessary or appropriate to implement the foregoing.

FUNDING SOURCE

N/A

EXPLANATION

The City of Chicago’s (“City”) Supportive Housing Initiative, established in 2002, provides shelter for those who cannot participate in the traditional housing market due to personal challenges, such as illness, substance abuse, domestic violence or homelessness. As part of this initiative, in addition to housing, critical Social Services will be directly provided to help these residents overcome their problems, take control of their lives and become productive, self-sustaining members of the community. This Supportive Housing Initiative is an important component in the overall strategy of addressing Affordable Housing and Homelessness in the City of Chicago.

Bettendorf Place is the substantial rehabilitation of a former convent on the grounds of a campus owned by Saint Mary Magdalene Church. After rehabilitation the building will contain 24 studio apartments, of which 19 will be Project-based Voucher assisted. The other 5 units will have SHP rental subsidies from HUD under the McKinney-Vento program for the homeless. The building will include a family meeting room, a community kitchen, meditation/spirituality center, skill development center and a counseling office. The development will also house offices for social support staff which will provide services in the areas of recovery, overall case management, occupational therapy and spiritual care.

The development site is located in South Chicago community at 8425 S. Saginaw Avenue in the 8th Ward. The immediate area is served by two Metra stations, one at 83rd and Exchange and the

other at 87th and Houston, both less than 6 blocks from of the building. There are also several CTA bus lines with bus stops located along the north-south arterial streets including Stony Island, Jeffrey Boulevard and South Chicago Avenue. There are a variety of parks within walking distance of the site, including Echersall Park, Russell Square Park and Rainbow Park and Beach. Rainbow Park is located at 77th and the Lake has been recently redeveloped by the Chicago Park District. The new facility contains a large gym, three clubrooms and a fitness center. The outdoor area consists of basketball, tennis and handball courts, three baseball diamonds, two playgrounds, a community garden and plenty of green space with a view of Chicago's skyline. A retail corridor runs along S. Stony Island and 71st Street near South Shore Drive provides a variety of community shopping outlets including clothing, sporting goods and hardware stores, Walgreens and restaurants. South Shore hospital is less than a mile away and is an acute care facility containing 170 beds with a full range of services to address the primary healthcare needs of the community. South Shore's HIV/AIDS Clinic provides primary medical services, counseling and emergency room services for community residents living with HIV/AIDS, a service that will especially beneficial to the residents of Bettendorf.

The developer is Alexian Brothers Bonaventure House, which is affiliated with the Alexian Brothers Health Systems. Alexian Bonaventure House was established with the support of Catholic Charities and the Chicago Philanthropic community to acquire and renovate a vacant convent in Lakeview to provide housing and comprehensive supportive services for people living with HIV/AIDS. The first people moved in to Bonaventure House in 1989. Nearly a decade later, Bonaventure House opened another facility in Waukegan called The Harbor. Today, Bonaventure House is the only licensed and funded recovery home for people with HIV/AIDS in the state of Illinois. The project will be owned by a sole subsidiary of Bonaventure House.

The total development cost for this project will be approximately \$5,236,214 and will be funded by a mix of public and private sources as follows:

City of Chicago 1602 Grant and HOME loan	\$ 4,889,355
Federal Home Loan Bank	\$ 150,000
DCEO Grant	\$ 40,859
Mission and Ministry Grant	\$ 150,000
Total	\$ 5,230,214

The only cost to CHA toward this development will be the project-based rental subsidy. Project-Based Voucher statutes and regulations will be followed in leasing the 19 Project-Based Voucher assisted units. Households on the CHA waiting lists will be given priority status.

Based on the foregoing, it is recommended that the Board of Commissioners approve the attached Resolution authorizing the Chief Executive Officer or his designee to enter into an AHAP Contract with Alexian Brothers Bonaventure House or its nominee to provide Project-Based Housing Choice Voucher assistance for nineteen (19) units at Bettendorf Place Supportive Housing development for the maximum allowable term, subject to any required HUD approvals. It is further recommended that the Board of Commissioners authorize the Chief Executive Officer or his designee to take all actions and execute all documents necessary or appropriate to implement the foregoing.

RESOLUTION NO. 2010-CHA-50

WHEREAS: the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated April 14, 2010, entitled "Authorization to 1.) Enter into an Agreement to enter into a Housing Assistance Payment Contract (AHAP) to provide Project-Based Voucher assistance to Bettendorf Place Supportive Housing development for 19 studio apartments and 2.) Execute all other documents as may be necessary or appropriate to implement the foregoing.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Chief Executive Officer, or his designee to 1.) Enter into an Agreement to enter into a Housing Assistance Payment Contract (AHAP) to provide Project-Based Voucher assistance to Bettendorf Pace Supportive Housing development for 19 studio apartments and 2.) Execute all other documents as may be necessary or appropriate to implement the foregoing.

